
TRANSATLANTIC TRADE WAR WORRIES BOSNIA'S STEEL INDUSTRY

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Bosnia fears the negative affect on its important metal industry if the EU faces an oversupply of steel and aluminium as a result of its trade dispute with the US.

Arcelor Mittal Zenica, Bosnia's larger steel exporter, believes joint efforts with Bosnia's government should secure free trade for Bosnia with the EU, which takes 30 per cent of its exports.

"We expect details of global quota implementation to be released this week. The odds will seriously affect our business, as we already announced. However, we are very optimistic that the solution will be settled before worries become a reality, thanks to good relations between the European Union and Bosnia," Alena Kahrimanovic, of Arcelor Mittal Zenica, told BIRN on Monday.

She noted long-term concerns that thousands of people in this industry could lose their jobs, which is why they say they will do everything in their power to avoid that.

"ArcelorMittal Zenica Company is doing its best to protect its business, jobs and our contribution to the economy of Bosnia. However, we cannot do it ourselves; the support of the Government of Bosnia is crucial in securing free trade with the European Union," Kahrimanovic told BIRN.

Mirko Sarovic, Bosnias Foreign Trade and Economic Relations Minister, held an urgent session with sector representatives to determine further steps.

This week, Sarovic will meet the relevant institutions of other countries in the region, which are also affected by the issue, to discuss the best action, his office said on Saturday.

Sarovic has called for a detailed analysis of what EU-US trade developments could mean for Bosnian producers, as well as what the government can do to protect its industry.

The EU has opened a case at the World Trade Organisation, WTO, after the US imposed a 25-per-cent duty on European steel and a 10-per-cent duty on aluminium in May. It is still not known what the EU intends to do otherwise in response.

The International Trade Centre, a multilateral agency that provides trade technical assistance across the globe, ranks Bosnia in 65th place on a list of world steel and iron exporters.

Bosnia exported iron and steel products worth 8.4 million euros in the first two months of 2018, Bosnias Statistics Agency data show.

Data from the same agency show Bosnia exported to Germany, Italy, Croatia, Serbia, Slovenia,

Austria, Turkey, Montenegro, Holland and Hungary, in terms of value.

Steel makes up 43.47 per cent of the countrys exports and comprises 4.24 per cent of Bosnias GDP.

<http://www.balkaninsight.com/en/article/bosnia-seeks-solution-for-negative-sides-of-transatlantic-trade-war-07-16-2018>

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